

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:	Case No.: 19-32928-MER
Rancher's Legacy Meat Co.,	Chapter 11
Debtor.	

**ORDER AUTHORIZING INTERIM USE OF CASH COLLATERAL
AND GRANTING ADEQUATE PROTECTION**

This case came on for hearing on the Expedited Hearing and for Interim and Final Orders Authorizing Use of Cash Collateral and Granting Adequate Protection filed by Rancher's Legacy Meat Co. ("Debtor"). Based on the motion and the file and having determined that the Debtor's offer of adequate protection constitutes adequate protection of the secured parties' interests under 11 U.S.C. §§ 361 and 363,

IT IS ORDERED:

1. The Debtor's motion is granted.
2. The Debtor's request for expedited relief is granted.
3. The Debtor is authorized to use cash collateral in accordance with the terms of the budget attached hereto as **Exhibit A** through the Final Hearing to be held on October 23, 2019.
4. The Debtor is authorized and directed to grant adequate protection to Ratcliff and ULF on the terms as set forth in the motion. The replacement liens granted by the Debtor to Ratcliff and ULF shall have the same dignity, priority and effect as their respective prepetition interests, if any. The replacement liens shall not attach to any claims arising pursuant to Chapter 5 of the Bankruptcy Code.

5. The Debtor shall provide weekly reports to Ratcliff. The weekly reports shall be provided no later than the close of business on Wednesday of each week and cover the proceeding week's operations.

6. Ratcliff shall be entitled to inspect the premises and audit the books and records of the Debtor upon reasonable request.

7. Except to the extent specifically set forth herein, all objections to the entry of this Order are hereby overruled.

8. The final hearing authorizing use of cash collateral will be held on **October 23, 2019 at 9:00 a.m.** before Judge Michael E. Ridgway, Courtroom 7W, U.S. Courthouse, 300 South Fourth Street, Minneapolis, Minnesota 55415.

Dated: *September 27, 2019*

/e/ Michael E. Ridgway

Michael E. Ridgway
CHIEF UNITED STATES BANKRUPTCY JUDGE

NOTICE OF ELECTRONIC ENTRY AND FILING ORDER OR JUDGMENT Filed and Docket Entry made on 09/27/2019 Lori Vosejpka, Clerk, by MJS
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	1	2	3	4	5	
Receipts	Week 1	Week 2	Week 3	Week 4	Week 5	Totals
	9/27/19	10/4/19	10/11/19	10/18/19	10/25/19	9/27-10/23
A/R receipts	\$ 575,000	\$ 650,000	\$ 700,000	\$ 675,000	\$ 650,000	\$ 3,250,000
Other receipts	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total cash receipts	\$ 575,000	\$ 650,000	\$ 700,000	\$ 675,000	\$ 650,000	\$ 3,250,000

Operating Cash Disbursements	9/27/19	10/4/19	10/11/19	10/18/19	10/25/19	9/27-10/23
Payroll & Taxes (All employee categories)	\$76,000	\$0	\$76,000	\$0	\$76,000	\$228,000
Fee for Payroll Service	1,500	-	1,500	-	1,500	4,500
Payment to Company 401(K) & Flex Spending	-	5,800	200	5,800	200	12,000
Payments to Temporary Labor Agencies	6,900	20,000	27,000	27,000	27,000	107,900
Workmen Compensation Premium	-	-	2,206	-	-	2,206
Health/dental/life/disability for employees	-	720	27,900	-	-	28,620
Raw Ingredients - domestic	400,000	410,000	410,000	410,000	400,000	2,030,000
Raw Ingredients - import	102,000	-	-	102,000	-	204,000
Packaging Supplies (boxes/film/etc)	31,500	31,500	31,500	31,500	31,500	157,500
QA and production supplies	-	2,500	2,500	2,500	2,500	10,000
Plant Cleaning Costs (outside service)	-	6,900	6,900	6,900	6,900	27,600
Outside manufacturing services	-	-	-	-	-	-
Shipping/Freight	11,500	26,000	26,000	26,000	26,000	115,500
Building/equipment repair	-	-	2,250	2,250	2,250	6,750
Equipment lease	701	-	-	-	701	1,402
Building lease	-	-	12,720	-	-	12,720
Real estate taxes	-	-	-	48,138	-	48,138
Refrigerated van repair/gas	150	250	250	250	250	1,150
Coats/gloves/hairnets for Production Workers	1,200	1,200	1,200	1,200	1,200	6,000
Insurance	10,520	-	-	-	9,370	19,890
Utilities, including internet services	21,965	450	-	21,965	-	44,380
Garbage removal services	-	2,250	-	-	-	2,250
Advertising	-	-	-	-	-	-
Marketing Allowances -	-	-	-	-	-	-
Upper Lakes Foods	-	9,000	9,000	9,000	9,000	36,000
Martin Brothers	-	2,500	-	-	-	2,500
Indianhead Foods	-	1,100	-	-	-	1,100
Ben E Keith	-	-	-	-	-	-
Food Show Costs	-	-	-	-	2,000	2,000
Professional fees - tax return prep	-	-	-	-	-	-
Professional fees - legal	-	-	-	-	-	-
Professional fees - IT	-	3,150	-	-	-	3,150
Sales Commissions	-	-	-	2,000	-	2,000
Office expense	-	250	250	250	250	1,000
Bank fees	1,500	-	-	-	1,500	3,000
Office Cleaning Costs (outside service)	540	540	540	540	540	2,700
Employee expense/reimbursement	-	5,700	-	3,500	-	9,200
State Income Taxes/Fees	-	-	-	2,450	-	2,450
Weekly Payment to Platinum Group	-	-	-	-	-	-
Other production costs	-	-	500	-	500	1,000
Product samples	1,000	1,000	1,000	1,000	1,000	5,000
Debt service on Ochsner Equipment Note	-	-	-	-	-	-
Misc.	-	2,000	2,000	2,000	2,000	8,000
Total operating disbursements	\$ 666,976	\$ 532,810	\$ 641,416	\$ 706,243	\$ 602,161	\$ 3,149,606
Cash available after operating activities	\$ (91,976)	\$ 117,190	\$ 58,584	\$ (31,243)	\$ 47,839	\$ 100,394

Summary Cash Flow	9/27/19	10/4/19	10/11/19	10/18/19	10/25/19	9/27-10/23
Beginning period cash	\$ 158,488	\$ 66,512	\$ 183,702	\$ 242,286	\$ 211,043	\$ 158,488
Cash receipts	575,000	650,000	700,000	675,000	650,000	3,250,000
Operating disbursements	(666,976)	(532,810)	(641,416)	(706,243)	(602,161)	(3,149,606)
Investing cash flow activity	-	-	-	-	-	-
Financing cash flow activity	-	-	-	-	-	-
Other	-	-	-	-	-	-
ending period cash (calculated)	\$ 66,512	\$ 183,702	\$ 242,286	\$ 211,043	\$ 258,882	\$ 258,882

Rolling A/R	9/27/19	10/4/19	10/11/19	10/18/19	10/25/19	9/27-10/23
Beginning A/R balance	\$ 1,044,664	\$ 1,169,664	\$ 1,194,664	\$ 1,144,664	\$ 1,119,664	\$ 1,044,664
Sales for period	700,000	675,000	650,000	650,000	650,000	3,325,000
A/R receipts	(575,000)	(650,000)	(700,000)	(675,000)	(650,000)	(3,250,000)
Other	-	-	-	-	-	-
Other	-	-	-	-	-	-
Ending A/R balance (calculated)	\$ 1,169,664	\$ 1,194,664	\$ 1,144,664	\$ 1,119,664	\$ 1,119,664	\$ 1,119,664
ending A/R balance (Actual)						